

State of Alaska FY2010 Governor's Operating Budget

Department of Administration Public Broadcasting - Radio Component Budget Summary

Component: Public Broadcasting - Radio

Contribution to Department's Mission

To provide quality programs and public telecommunication services that inform, educate, enlighten, and entertain radio listeners throughout Alaska; to ensure the infrastructure for the dissemination of non-commercial public radio and related services.

Core Services

- This component contains funding for basic operating grants to public radio stations whose collective mission is to provide un-served and underserved audiences with free over the air programming available to all Alaskans regardless of their ability to pay. Public broadcasting focuses on the delivery of 'local' programming services with an emphasis on news and information programming, including education, health and safety programming.
- The Alaska Public Broadcasting Commission (APBC) grants support the delivery of public broadcasting programming by 26 public radio stations throughout Alaska. In addition to the main radio stations Alaska public radio operates some 60 signal translators throughout the state reaching 95% of all Alaskans. These stations and their widespread network of translators are a key component of Alaska's telecommunications infrastructure.
- Public radio provides thorough and in many cases the only coverage of local, regional and statewide news and information available to Alaskans, especially in bush and rural service areas. Additionally, public radio serves as a local center for community information and messaging to outlying areas. In many instances, public radio stations are providers of the state and federal Emergency Alert System (EAS) and other critical health and safety information programming.

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$2,869,900

Personnel:

Full time	0
Part time	0
Total	0

Key Component Challenges

Further diversification of non-state operating funds remains a high priority. In 1992, the State invested \$7.5 million in public broadcasting. In FY2009, the State invested \$3.4 million. Offsetting these losses is the biggest challenge facing public broadcasting in Alaska.

Public broadcasting is a key component of Alaska's emergency services, telecommunications and education infrastructure providing critical local and state news, and other critical information such as weather, marine conditions and emergencies. Even though Alaska's public radio stations have dramatically increased local fundraising, increases in the cost of doing business are escalating at a rate that cannot be offset by local private sector dollars in many Alaskan communities. Fixed costs, including sharply rising power generation, utilities, personnel and insurance costs, along with demands for advancement in new technology are creating significant on-going pressures on annual operating budgets and levels of service. The viability of this statewide service is now greatly challenged by these escalating fixed operating costs and deferred maintenance issues.

The system has a chronic need for qualified engineering support and professional training opportunities. System engineering capacity is at an all time low and some stations are starting to experience catastrophic failures in core equipment and service. The Commission has requested an increase in funds to address this serious system wide issue.

Historically, the APBC has lacked a clear methodology or formula for allocating operating grants. As State support has declined over the years, this has become an increasingly divisive issue. The APBC is developing an alternative funding methodology that strives to distribute limited funds in a clear, predictable and equitable manner.

The rate of staff and management turnover remains high creating extraordinary pressures on the system to maintain continuity of service, especially in bush Alaska. A number of stations are unable to provide staff to produce local and regional news and information. Many others are struggling to maintain those critical news and information services for their communities.

Significant Changes in Results to be Delivered in FY2010

The APBC will implement a new formula based methodology for allocating annual operating grants. The reallocation of funds per the formula will have an impact on local stations and services throughout the system.

Public radio stations will continue to collaborate, consolidate and forge partnerships when practical as a means to improve local service while gaining cost savings and operational efficiencies.

Major Component Accomplishments in 2008

Stations provided another year of service to un-served and underserved audiences with free over the air programming available to all Alaskans regardless of their ability to pay. Stations played a critical on-going role in the APBC's review of how they allocate annual operating grants.

Stations were successful in working with the legislature to secure an increase in funding, reversing a 16 year negative funding trend in State support.

Due to difficult economies, stations struggled to meet year round public service obligations in their respective communities of license and outlying translator communities. Through regional and statewide collaborations and partnerships, public radio in Alaska continued to control costs while striving to improve service to all Alaskans.

Stations partnered with APBI in order to negotiate and secure group discounts from national program providers resulting in significant savings. The group buys allow for universal access to all programming, so in effect, stations actually receive greater savings. Over the past several years these group purchases and related cost control initiatives have saved more than a million dollars.

Several stations continued their conversion to digital broadcasters resulting in improved signal quality and the ability to provide additional broadcast services.

APRN won national awards for AK and many stations won numerous Goldie Awards and Alaska Press Club Awards in the annual statewide competitions.

Native stations in Alaska continued to participate in advancing a national dialogue and strategy on how to improve public broadcasting services for natives in Alaska and the lower 48.

News personnel and station managers were able to participate in training sessions held in Anchorage and lead by industry leaders, far more cost effective than traveling to 'outside' professional development opportunities.

The State of Alaska satellite infrastructure continued to deliver public radio, public television and distance delivery television services throughout Alaska.

Statutory and Regulatory Authority

AS 44.21.256-290 Alaska Public Broadcasting Commission
2 AAC 55 Alaska Public Broadcasting Commission

Contact Information
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**Public Broadcasting - Radio
Component Financial Summary**

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	2,469.9	2,869.9	2,869.9
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,469.9	2,869.9	2,869.9
Funding Sources:			
1004 General Fund Receipts	2,469.9	2,869.9	2,869.9
Funding Totals	2,469.9	2,869.9	2,869.9

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor***All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	2,869.9	0.0	0.0	2,869.9
FY2010 Governor	2,869.9	0.0	0.0	2,869.9